
Affordable Housing Committee

Meeting No.	2	Contact	Patsy Morris, Committee Administrator
Meeting Date	Tuesday, April 17, 2007	Phone	416-392-9151
Start Time	9:30 AM	E-mail	pmorris@toronto.ca
Location	Committee Room 2, City Hall		

Affordable Housing Committee		
Councillor Giorgio Mammoliti (Chair) Councillor Pam McConnell	Councillor Adrian Heaps Councillor Howard Moscoe	Councillor Cesar Palacio Councillor Adam Vaughan

Members of Council and Staff: Please keep this agenda and the accompanying material until the City Council meeting dealing with these matters has ended. **The City Clerk's Office will not provide additional copies.**

Special Assistance for Members of the Public: City staff can arrange for special assistance with some advance notice. If you need special assistance, please call (416-392-8485), TTY 416-338-0889 or e-mail (pmorris@toronto.ca).

Closed Meeting Requirements: If the Affordable Housing Committee wants to meet in closed session (privately), a member of the committee must make a motion to do so and give the reason why the Committee has to meet privately. (*City of Toronto Act, 2006*)

Notice to People Writing to the Committee: The City of Toronto collects any personal information in your communication to Toronto City Council or its committees under the *City of Toronto Act, 2006* and the City of Toronto Municipal Code.

The City collects this information to enable it to make informed decisions on the relevant issue(s). Individuals who submit letters and other information should be aware that any personal information in their communication will become part of the public record. The City will make it available to the public, unless the individual expressly requests the City to remove the personal information. Direct any questions about this collection to the City Clerk's Office, City Hall, 100 Queen St. W. Toronto ON M5H 2N2 or by calling 416-392-8485.

If the Affordable Housing Committee wishes to meet in closed session (privately), a motion must be made to do so, and the reason given (*City of Toronto Act, 2006*).

Declarations of Interest under the *Municipal Conflict of Interest Act*.

Confirmation of Minutes – January 31, 2007

Speakers/Presentations - A complete list will be distributed at the meeting.

Communications/Reports

AH2.1	ACTION		Transactional	Ward: 11, 14, 17, 18, 20, 21, 22, 28, 29, 43
-------	--------	--	---------------	--

Affordable Housing – Funding Recommendations Request for Proposals 9155-06-7380 and TCHC

(April 3, 2007) report from Deputy City Manager, Sue Corke, Director, Purchasing and Materials Management and the Chief Corporate Officer

Recommendations

The Director of Purchasing and Materials Management, the Chief Corporate Officer and the Deputy City Manager responsible for the Affordable Housing Office recommend that:

1. City Council approve the following affordable housing projects selected through the RFP and recommend submission of all project information to the Ministry of Municipal Affairs and Housing for consideration as projects to be funded under the Canada-Ontario Affordable Housing Program – Rental and Supportive Component (“the Program”):
 - a. West Toronto Support Services for Senior Citizens and the Disabled Inc. at 2335-2337 St. Clair Avenue West;
 - b. Parkdale Activity - Recreation Centre (Toronto) at 194 Dowling Avenue;
 - c. St. Clair West Affordable Housing (Ossington) Group Incorporated at 1120 Ossington Avenue;
 - d. St. Clare’s Multifaith Housing Society at 48 Abell Street (to be assigned a new municipal address on the future extension of Sudbury Street);
 - e. WoodGreen Community Housing Inc. at 270 Donlands Avenue;
 - f. St Clare’s Multifaith Housing Society at 200 Madison Avenue;
 - g. 873815 Ontario Limited, at 201-213 Vaughan Road; and
 - h. 544 Birchmount Holdings Limited at 544 Birchmount Road.

2. City Council approve the following affordable housing projects of the Toronto Community Housing Corporation and recommend submission of all project information to the Ministry of Municipal Affairs and Housing for consideration as projects to be funded under the Program:
 - a. 88 Carleton Street; and
 - b. 501 Adelaide Street East.

3. The Deputy City Manager responsible for the Affordable Housing Office be authorized and directed to submit the list of recommended projects, and any other documentation, to the Province of Ontario for consideration by the Ministry of Municipal Affairs and Housing, as required by the Program.
4. Authority be granted to exempt the listed projects from taxation for municipal and school purposes for the term of the municipal capital facility agreement.
5. Authority be granted for exempting all projects not subject to a waiver under the *Development Charges Act*, from payment of development charges.
6. Authority be granted to designate the listed projects as social housing accommodation, allowing all or part of the project relief from normal parking standards, where applicable.
7. Authority be granted to enter into a municipal capital facility agreement and such other agreements, licences, security and documents, with the recommended proponents of each of the listed projects, or to an other entity associated and controlled by it and acceptable to the Director of Affordable Housing Development, to provide for the development and operation of affordable housing, on such terms and conditions as the Director Affordable Housing Development considers appropriate and in a form approved by the City Solicitor.
8. The Director, Affordable Housing Office Development be authorized and directed, on behalf of the City, to execute municipal capital facility agreements and such other agreements and documents deemed necessary, on terms and conditions satisfactory to the Director, Affordable Housing Development and in a form approved by the City Solicitor.
9. Authority be granted to enter into leases of the City owned properties at 200 Madison Avenue and 194 Dowling Avenue, for the purpose of developing the affordable housing projects and any ancillary uses, substantially on the terms and conditions outlined in Appendix 2 to this report and in a form acceptable to the City Solicitor, such grant by way of below market rent being in the interest of the municipality.
10. The City solicitor be authorized to complete the lease transactions for 200 Madison Avenue and 194 Dowling Avenue on behalf of the City, including payment of any necessary expenses and amending the commencement date of the lease and any other dates to such earlier or later dates and on such terms and conditions as she may from time to time consider reasonable.
11. The Chief Corporate Officer shall administer and manage the leases for 200 Madison Avenue and 194 Dowling Avenue, including the provision of any consents, approvals, waiver notices and notices of termination provided that the Chief Corporate Officer may, at any time, refer consideration of such matters (including their content) to City Council for its determination and direction.

12. Authority be granted for the City to make or provide its consent as owner to any regulatory applications by the proponents of the projects at 200 Madison Avenue and 194 Dowling Avenue, and to grant licences for the purposes of entering onto the City owned properties to carry out pre-development activities, and that the Director, Real Estate Services, or his designate be authorized to execute the applications, consents and licences.
13. That St. Clare's Multifaith Housing Society be permitted to further encumber its existing housing projects at 25 Leonard Street and 38 Pears Avenue, in order to make funds available for the two projects being proposed by it under the Program, on such terms and conditions satisfactory to the General Manager Shelter, Support and Housing Administration in his sole discretion and in a form approved by the City Solicitor.

Financial Impact

The funding sources to build the 800 units (10 projects) in this report under the Program are set out below and detailed in Appendices 1 and 6.

Direct capital assistance for the construction of the 800 units from all orders of government is:

Government Assistance - Capital	Amount
Affordable Housing Program federal contribution	\$ 21,466,200
Affordable Housing Program provincial contribution	\$ 35,023,800
Minimum Expected PST and GST rebates	\$ 4,032,000
Municipal Development Fees and Charges at current rates	\$ 5,519,000
Value of City Land (two projects) for mortgage purposes with development proposed, plus contribution to cost of demolition and environmental reports	\$ 2,513,000
	\$ 68,554,000 total

Private equity and mortgage financing must be obtained as set out below:

Proponent Contributions - Capital	Approximate Amount
Minimum Proponent Equity	\$ 38,000,000
Minimum Private First Mortgage Financing	\$ 53,000,000
	\$ 91,000,000 total

Therefore the total capital cost is approximately \$160m. from all sources.

Rent supplements and property tax exemptions will support the annual operating costs of the projects after construction. The current Net Present Values of these two supports are estimated as follows:

Government Assistance – Operating	Estimated Amount
Net Present Value of Rent Supplements (excluding TCHC)	\$ 13,900,000
Net Present Value of Property Tax Exemptions	\$ 8,286,000
	\$ 22,186,000 total

The Administration Agreement with the province set out the terms and rate of an Administration Fee paid to the City for the costs of delivering the Program, including selecting projects and monitoring affordability for the term of the Contribution Agreement with the recommended proponents. For the units recommended in this report, the funding received from the province is as follows:

Provincial Administration Fee Paid to City	Amount
\$100,000 for program participation plus 1.3% of federal and provincial funds above 50 units	\$ 788,870

The detailed budget implications for the current year will be reported to Budget Committee in mid 2007 and any future year budget implications associated with these projects will be reported and included in future year program budgets as development proceeds and housing units occupied.

The Deputy City Manager and Chief Financial Officer have reviewed this report and agrees with the financial impact information.

Summary

This report is for Council approval of 10 affordable housing developments which will result in approximately 800 new affordable homes in the City of Toronto. The approval includes eight affordable housing developments, with approximately 600 units, selected from proposals submitted in response to a Request for Proposals (“RFP”) issued by the City, and 200 units in two Toronto Community Housing Corporation (“TCHC”) developments. All 10 are assisted under a joint program between the City, the province of Ontario and the government of Canada.

Federal and provincial capital funding of \$70,000 per unit is available under the Canada-Ontario Affordable Housing Program – Rental and Supportive (“the Program”). City of Toronto support is in accordance with existing affordable housing policies and programs. This report recommends that the City administer the projects for terms ranging from 25 to 50 years. Contributions from the City include waiver of development fees and charges, exemption from property taxes, the lease of two City properties and 110 rent supplements as requested by the proponents responding to the RFP.

An Administration Fee is paid to the City by the province, under the terms of an Administration Agreement with the province. The fee is accounted for in the 2007 Affordable Housing Office Budget Submission.

Background Information

Affordable Housing - Funding Recommendations Request for Proposal 9155-06-7380 a
<http://www.toronto.ca/legdocs/mmis/2007/ah/bgrd/backgroundfile-2792.pdf>

Appendix 1 - Summary of Recommended Projects from the RFP
<http://www.toronto.ca/legdocs/mmis/2007/ah/bgrd/backgroundfile-2793.pdf>

Appendix 2 - Major Terms and Conditions - Lease of City Land
<http://www.toronto.ca/legdocs/mmis/2007/ah/bgrd/backgroundfile-2794.pdf>

Appendix 3 - Responses to the RFP
<http://www.toronto.ca/legdocs/mmis/2007/ah/bgrd/backgroundfile-2795.pdf>

Appendix 4 - Report from the Fairness Monitor Consultant

<http://www.toronto.ca/legdocs/mmis/2007/ah/bgrd/backgroundfile-2798.pdf>

Appendix 5 - Code of Conduct for Members of the RFP Selection Team

<http://www.toronto.ca/legdocs/mmis/2007/ah/bgrd/backgroundfile-2796.pdf>

Appendix 6 - Summary of TCHC Recommended Projects

<http://www.toronto.ca/legdocs/mmis/2007/ah/bgrd/backgroundfile-2797.pdf>